



OFFERING MEMORANDUM

166 N. Grand Avenue | Nogales, AZ 85621

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Actual Property Image

Exclusively Marketed By:

Diana Shirek
AZ License Real Estate Broker # CO661892000

855.524.6690 | DIRECT
dshirek@jdsreservices.com

JDS Real Estate Services, Inc.
100 Spectrum Center Drive, Suite 900
Irvine, CA 92618

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OFFERING SUMMARY

PRICE	\$915,600
CAP	7.75%
NOI	\$70,964
PRICE PER SF	\$86.70
YEARS REMAINING	~8 Years
LEASE GUARANTY	AutoZone, Inc.

ESTIMATED OPERATING INFORMATION

AVG EFFECTIVE GROSS INCOME	±\$72,531
LESS EXPENSES	(\$1,567)
NET OPERATING INCOME	±\$70,964

PROPERTY SUMMARY

ADDRESS	166 N. Grand Ave Nogales, AZ 85621
COUNTY	Santa Cruz
BUILDING AREA (OCCUPIED)	10,561 SF
GROSS LEASABLE AREA	13,261 SF
BUILT	1982

CORPORATE GUARANTEED LEASE (AUTOZONE, INC.)

- Investment Grade S&P BBB Credit Rating
- AutoZone is the Second Largest Retailer of Aftermarket Automotive Parts and Accessories in the United States and Has an Annual Revenue of \$10.64 Billion
- AutoZone Stock (NYSE: AZO) is Currently Trading at Its 52 Week High - \$796.72

NET LEASE INVESTMENT

- Minimal Landlord Responsibility (Roof and Structure)
- Tenant Pays Insurance and Taxes on the Property

ESTABLISHED LOCATION

- AutoZone Has Successfully Operated at This Location for Over 30 Years
- Tenant Recently Executed an Early Lease Extension Showing Their Long-Term Commitment to This Site
- Strategically Located in Demographics Ideal for AutoZone "Do-It Yourself" Customers

IRREPLACEABLE LOCATION

- Positioned 0.3 Miles From the U.S. / Mexico Border, Giving this Store Access to the Estimated 30,000 Shoppers Crossing the Border Daily
- Located One Intersection From Interstate 19 and Arizona's Largest Border Crossing
- This Location Benefits from Being One of the First Auto Parts Stores on the U.S. Side of the Border
- Nogales Funnel an Estimated \$30 Billion Worth of International Trade into Arizona and the U.S. Each Year



Actual Property Image



Proud Home of the Wolves



N Morley Ave

N Grand Ave

Nogales Music Center



ABC Silks Flowers & Crafts

Border Pawn & Coin Inc

Stereo City

PIMERIA ALTA
HISTORICAL SOCIETY & MUSEUM





INTERSTATE
ARIZONA
19

ARIZONA
82

N Grand Ave

N Grand Ave

N Morley Ave

UNITED STATES
MEXICO BORDER

CIRCLE K

O'Reilly
AUTO PARTS

Church's
CHICKEN

Pizza
Hut

Denny's

Chevron

Pep Boys
FAMILY DOLLAR
FOOD CITY
peter piper
pizza
cricket

SALLY BEAUTY

STAGE

NAPA

AutoZone®

True Value
Payless
SAVOR SOURCE

BURGER
KING

FALLAS
DISCOUNT STORES

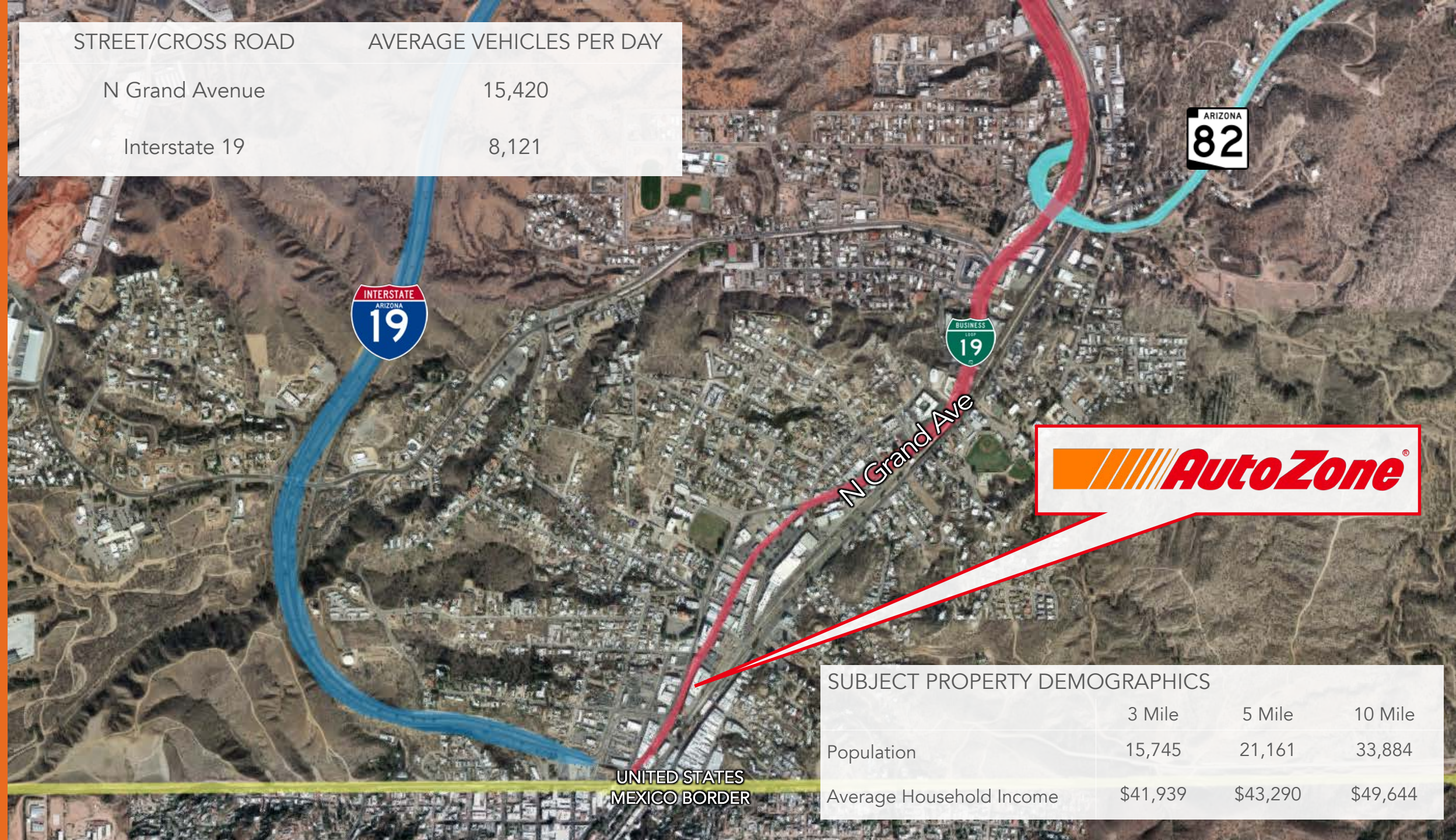
McDonald's

WELLS
FARGO

Shell

Jack
in the box

STREET/CROSS ROAD	AVERAGE VEHICLES PER DAY
N Grand Avenue	15,420
Interstate 19	8,121



SUBJECT PROPERTY DEMOGRAPHICS			
	3 Mile	5 Mile	10 Mile
Population	15,745	21,161	33,884
Average Household Income	\$41,939	\$43,290	\$49,644



ABOUT THE CITY

Located along Arizona's southern boundary, the City of Nogales, Arizona, borders Nogales, Sonora, Mexico, and is Arizona's largest international border City. Nogales, Arizona, is a major international gateway along the United States-Mexico border. Due to the International Border, Nogales is the economic capital of the region and serves as one of the major gateways into the United States. Visitors cross the border between both cities for site-seeing and shopping on a daily basis. Nogales, Arizona and Nogales, Sonora form a single, functional and complex urban fabric in which some members of the same family may live on the United States while others may reside in Mexico, creating a sense of fluidity that impacts all aspects of life, including culture, language, heritage, character, identity, context, environment and economy. Referred to as Ambos Nogales, the communities of Nogales, Arizona and Nogales, Sonora, México comprise the largest international border community in Arizona, with an estimated combined population exceeding 400,000 people.

ECONOMY

Arizona is ranked first in the nation in projected job growth and economic growth prospects, and Nogales is the #1 Port of Entry in the entire Southwestern United States. It's no wonder Nogales is a great place to do business! Nogales is Arizona's International Gateway and the county seat and economic heartbeat of Santa Cruz County. Nogales is safe, friendly, accessible, and open for business.

The Ambos Nogales binational region is strategically located as Mexico's gateway to Arizona and the entire Western United States. The strategic location allows companies to enjoy the advantages of accessing two labor forces, two tax systems, and two governments.

CULTURE & CONTEMPORARY LIFE

Nogales, Arizona, is a progressive city that has been able to maintain its small town charm, rich traditions, and vibrant culture. The city is the county seat for Santa Cruz County and shares its rich heritage with Nogales, Sonora, its sister city in Mexico. Nogales has a unique culture, where families, language, and cultures cross international boundaries. Nowhere can this be better seen than at the local downtown shops, coffee shops, and local museums. Nogales is surrounded by the great outdoors and infused with culture all around and on both sides of the border. Enjoy sightseeing the architecture and rich history of the cross border culture, or have your breath taken away by the high desert mountain views.



For more than 30 years, AutoZone has been committed to providing the best parts, prices and customer service in the automotive aftermarket industry. We have a rich culture and history of going the Extra Mile for our customers and our community.

AutoZone is the nation's leading retailer and a leading distributor of automotive replacement parts and accessories with more than 6,000 stores in US, Puerto Rico, Mexico, and Brazil. Each store carries an extensive line for cars, sport utility vehicles, vans and light trucks, including new and remanufactured hard parts, maintenance items and accessories. Since opening its first store in Forrest City, Arkansas on July 4, 1979, the company has joined the New York Stock Exchange (NYSE: AZO) and earned a spot in the Fortune 500.



COMPANY TYPE
NYSE: AZO



MARKET CAP
\$21.43 Billion



OF LOCATIONS
6,000+



FOUNDED
1979



HEADQUARTERS
Memphis, TN



WEBSITE
autozone.com



LEASE SUMMARY

TENANT	AutoZone
PREMISES	A Building of Approximately 13,261 SF in Nogales, AZ
LEASE COMMENCEMENT	December 4, 1986
LEASE EXPIRATION	February 28, 2026
LEASE TERM	~8 Years Remaining
RENEWAL OPTIONS	2 x 5 Year Options
RENT INCREASES	10% at Options
LEASE TYPE	(NN)
USE	Auto Parts
PROPERTY TAXES	Tenant's Responsibility
INSURANCE	Tenant's Responsibility
COMMON AREA	Tenant's Responsibility
ROOF & STRUCTURE	Landlord's Responsibility
REPAIRS & MAINTENANCE	Tenant's Responsibility
HVAC	Tenant's Responsibility
UTILITIES	Tenant's Responsibility
RIGHT OF FIRST REFUSAL	No

Actual Property Image

TENANT NAME	SQUARE FOOTAGE	% OF TOTAL	MONTHLY BASE RENT	RENT / SF	INCREASE DATES	RENTAL INCREASE	LEASE BEGIN	LEASE END	OPTIONS
AutoZone	10,561 SF	80%	\$7,500 till 2/2019 \$5,770 till 2/2023 \$6,213 till 2/2026	\$0.71 \$0.54 \$0.58	At Options	10%	12/04/1986	02/28/2026	2 x 5 Years
Vacant	2,700 SF	20%	\$0.00	\$0.00	-	-	-	-	-
TOTAL	13,261 SF	100%	\$7,500	\$0.71					



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This Offering Memorandum has been prepared to provide summary, unverified information to prospective purchasers, and to establish only a preliminary level of interest in the subject property.

The information contained herein is not a substitute for a thorough due diligence investigation, and makes no warranty or representation, with respect to the income or expenses for the subject property, the future projected financial performance of the property, the size and square footage of the property and improvements, the presence or absence of contaminating substances, PCB's or asbestos, the compliance with State and Federal regulations, the physical condition of the improvements thereon, or the financial condition or business prospects of any tenant, or any tenant's plans or intentions to continue its occupancy of the subject property.

The information contained in this Offering Memorandum has been obtained from sources we believe to be reliable; however, we have not verified, and will not verify, any of the information contained herein, nor have we conducted any investigation regarding these matters and makes no warranty or representation whatsoever regarding the accuracy or completeness of the information provided. All potential buyers must take appropriate measures to verify all of the information set forth herein.

By receipt of this Memorandum, you agree that this Memorandum and its contents are of confidential nature, that you will hold and treat it in the strictest confidence and that you will not disclose its contents in any manner detrimental to the interest of the Owner. You also agree that by accepting this Memorandum you agree to release and hold us harmless from any kind of claim, cost, expense, or liability arising out of your investigation and/or purchase of this property.

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